Public Consultation: Customer Service Guidelines on Electricity Supply and Use of Electricity

Public Utilities Commission of Sri Lanka (the Commission) as the regulatory body for electricity industry wishes to consult public on customer service guidelines prepared by the Commission and issued/to be issued to distribution licensees on electricity supply and use of electricity in order to enhance the quality of the customer services to electricity consumers.

1. Background

The Commission as the regulator for electricity industry has issued five (5) licenses for distribution of electricity in Sri Lanka. Accordingly Ceylon Electricity Board (CEB) is issued four (4) licenses and Lanka Electricity Company (Pvt) Ltd (LECO) is issued one (01) license. As distribution licensees both CEB and LECO are responsible for supplying and maintaining of electricity at distribution level. Therefore as service providers, both CEB and LECO have to directly deal with end user electricity customers throughout the island. When a person applies for a new electricity service connection, he becomes a customer of the distribution licensee. There are number of customer categorizations according to the nature he uses the electricity such as domestic, religious, industrial, general purpose, hotel and government. Every tariff customer would fall into one tariff category and based on the categorization, customer will receive certain rights and obligations.

When the distribution licensees provide services for their customers such services needs to be provided as per the conditions stated in Sri Lanka Electricity Act, distribution license, regulations and other rules & guidelines issued by the Commission.

2. Issues

The Commission has observed significant deviations among distribution licensees when decisions are made particularly when resolving electricity related grievances submitted to them. These deviations lead customer dis-satisfaction on the services provided by service providers. Subsequently, such dissatisfactions end up at the Commission as complaints by consumers requesting for intervention and resolution.

In view of resolving and limiting such complaints, among others, the Commission has decided to issue customer service guidelines for distribution licensees. Currently, seven of such guidelines are being implemented and two of such guidelines are in draft stage. The Commission plans to consult public to obtain their views and suggestions to further improve

and modify these guidelines towards achieving customer satisfaction. Accordingly public is invited to comment/submit views on the following listed guidelines.

Guidelines on Implementation

- 1) Guidelines on Electricity Bill Payments
- 2) <u>Guidelines on Electricity Supply Disconnection and Reconnection</u>
- 3) Guidelines on Payment of Interest on Security Deposit
- 4) <u>Guidelines on Removing/Shifting of Electrical Poles/Lines</u>
- 5) <u>Guidelines on Interruption to Electricity Supply</u>
- 6) <u>Guidelines on Change of Tariff Customer</u>
- 7) <u>Guidelines on Determination of Tariff Category</u>

Guidelines on Draft Stage

- 8) Draft Guidelines on Electricity Billing
- 9) Draft Guidelines on Entering into Premises

A background to each guideline and its salient features are explained below for easy reference of the public. The complete guidelines of above nine (9) areas are attached as annexures for further reference of the public.

3. Customer Service Guidelines

a. Guidelines on Electricity Bill Payments

After receiving the monthly electricity bill, all tariff customers have a right to pay the electricity bill without being charged of any interest or issuance of a disconnection notice within 14 days. The electricity bill issued by the distribution licensee can be paid by consumers through indicated modes of payments and authorized institutions stated in the bill. If a consumer did not make the payment within 14 days he/she has a right to receive at least 10 days' notice prior to disconnection of the electricity supply. Licensee has a right to disconnect the supply after allowing maximum of five days (for realizations of payments made by consumers after receiving disconnection notice) of expiry of the disconnection notice.

Accordingly the distribution licensees are guided on the procedure to be adopted during the process of recovering payments and disconnecting of electricity supply. Complete guideline on electricity bill payment is attached as annex 01 for public comments.

b. Guidelines on Electricity Supply Disconnection and Reconnection

The distribution licensee may disconnect/discontinue the electricity supply of any tariff customer/consumer when they do not fulfill requirements stated in relevant Acts, regulations, rules, codes etc. At the same time, the licensee has the obligations to

reconnect/restore the electricity supply of those tariff customers/consumers when such requirements are fulfilled.

Disconnection or discontinuation of electricity supply can occur during following instances;

- On the request of a tariff customer
- Failure to provide security deposit
- Failure to pay electricity bills and any other charges due to licensee
- Failure to pay monthly installments agreed with licensee
- Using appliances that interfere with other supply
- Using electricity in a dangerous or unsafe manner
- Convicted of an offence
- On any emergency

If the tariff customer/consumer requested to reconnect the supply after fulfillment of specified requirements, it is the responsibility of the licensee to reconnect the supply within a given time period. The guideline prepared for this purpose provides distribution licensees the procedure be followed during the process of on disconnection/discontinuation and reconnection of electricity supply. Complete guideline on electricity supply disconnection and reconnection is attached as annex 02 for public comments.

c. Guidelines on Payment of Interest on Security Deposit

Distribution licensee may require by notice of writing any person who requires an electricity connection to provide a reasonable security (maximum of two months of electricity bill average) deposit. The licensee shall pay interest on such sum of money at the rate approved by the Commission for the period which the security deposit remains in the hands of licensee.

The interest on security deposit of a retail customer shall be calculated for every calendar year and credited to the respective retail customers' billing account and updated during the billing cycle in January each year. The interest on security deposit of a bulk customer shall be calculated monthly and credited to the respective tariff customers' billing account during the next billing cycle.

The guideline explains the procedure needs to be followed by licensee when requiring security deposit from customers and pay interest to such security deposit. Complete guideline on payment of interest on security deposit is attached as annex 03 for public comments.

d. Guidelines on Removing/Shifting of Electrical Poles/Lines

Sri Lanka Electricity Act requires licensees to obtain wayleave from any land owner to install or keep installed any electrical line/pole. Further as per the above Act, the land

owner can request the licensee to remove/shift the electrical pole/line installed in his/her land. Accordingly, any land owner can;

- request to remove/shift any electrical pole/line for which wayleave is granted by him/her
- request to remove/shift any electrical pole/line for which wayleave is not granted by him/her
- request to remove/shift any electrical pole/line for which wayleave granted is expired, terminated or changed in ownership of the land

This guideline explains the procedure needs to adopt by the licensee when a request is made by a land owner. Complete guideline on removing/shifting of electrical poles/lines is attached as annex 04 for public comments.

e. Guidelines on Interruption to Electricity Supply

Interruptions to electricity supply of consumers can be categorized into two, one is planned interruptions and the other is unplanned interruptions. Distribution licensees require planned interruptions for the following purposes:

- To carryout distribution planned maintenance and development programs
- To carryout inter-licensee distribution system planned programs
- To carryout upstream (transmission) failures maintenance programs

The Unplanned interruptions are due to breakdowns of the distribution system, defaults by consumers or offences committed under the Act such as felling of trees/branches of trees on electricity lines, illicit tapping of electricity etc. and switching off of the electricity supply to avoid danger to human life and property during disastrous situations such as tsunami, cyclone, flood and any other similar situations. The Breakdowns can be happen due to distribution system faults and inter-licensee distribution faults

Breakdowns and planned interruptions can be controlled and minimized by distribution licensees through their efficient planning and operational activities that can minimize the number of consumers affected and the frequency of interruptions. Such actions will not only minimize the inconveniences of the consumers and loss of economy of the country, but also will enhance the revenue of them.

This guideline explains the procedure that the distribution licensee needs to follow to minimize the inconvenience caused to consumers and improve efficiency of the licensee. Complete guideline on interruption to electricity supply is attached as annex 04 for public comments.

f. Guidelines on Change of Tariff Customer

A tariff customer may terminate his/her tariff agreement of the electricity supply provided to his/her premises and allow another consumer to obtain electricity supply to the same premises upon fulfillment of the requirements specified by the service provider. A termination of tariff agreement can take place in the event of change of ownership to the premises, change of occupancy of the premises, demise of a tariff customer and upon consent from tariff customer.

This guideline describe the procedure needs to be followed by the service provider when terminating tariff agreement and changing of tariff customer. Further this guideline provides procedure for licensees on recovering of charges prior or after terminates of tariff agreement. Complete guideline on change of tariff customer is attached as annex 06 for public comments.

g. Guidelines on Determination of Tariff Category

There are six consumer types in electricity tariff category system in Sri Lanka i.e. domestic, religious, hotel, industrial, general purpose and government. When a consumer requests a new electricity connection, the distribution licensee shall request the purpose for which electricity connection is to be used and the maximum power which may be required. Tariff category of the new connection will be decided based on the information provided for above requirements.

The Commission has defined each tariff category and based on the tariff category the electricity tariff is calculated by the licensee. As the tariff category vary in terms of the purpose and maximum power required for the use of electricity at any time, there is a tendency to create disputes on the determination of tariff category. Hence the Commission has explained the procedure to be followed by licensees when determining the tariff category. Complete guideline on determination of tariff category is attached as annex 07 for public comments.

h. Guidelines on Electricity Billing

Consumers have a right to get the register of meter ascertained and an electricity bill issued once in every thirty (30) days \pm three (3) days (i.e. 27 to 33 days period) as per the methodology approved by the Commission. Also the distribution licensee may, in the normal course of business, estimate the amount of electricity consumed by the consumer and recover charges accordingly, so long as the estimated consumption is confirmed by a meter reading within a reasonable period of time. The consumer has a right to know the details of and clarifications on the methods adopted by the licensees in estimating the usage of electricity.

This draft guideline describes the procedure to be adopted by the licensees when issuing bills and collecting charges from consumers for the electricity supplied, to enhance efficiency of the services provided by the licensees and to avoid consumer grievances/ disputes. Complete guideline on electricity billing is attached as annex 08 for public comments.

i. Guidelines on Entering into Premises

The distribution licensee or a representative of him may enter into premises after giving 3 day prior notice to consumer of that premises. However there are certain situations where, licensee has the right to enter into the premises without giving notices to the consumer in that premises. Further with a legal permission too, the licensee may enter into premises even by force. However if a licensee enter into premises under any of the above stated situations, it has to be followed obligations described by the Sri Lanka electricity Act.

The draft guideline prepared on this purpose provides distribution licensees an idea on the procedure need to adopt when enter into premises and rights and obligations of them when carrying out licensed activities with regard to supply of electricity and use of electricity. Complete guideline on enter into premises is attached as annex 09 for public comments.